

REVISED SUSTAINABLE FARMING SCHEME OUTLINE



November 2024

KEY CHANGES

REMOVAL OF 10% TREE COVER SCHEME RULE

Replaced with a scheme-wide target (to be agreed) and a revised Action (UA13) for a tree planting and hedgerow creation opportunity plan.

3 ANIMAL HEALTH, WELFARE AND BIOSECURITY ACTIONS MERGED INTO 1 AND SIMPLIFIED

To focus on discussions with your farm vet on improved animal health and welfare outcomes.

SSSI SITES ELIGIBLE FOR SCHEME PAYMENTS

Sites of Special Scientific Interest (SSSIs) will be eligible for the Universal Baseline Payment.

COMMITMENT TO SOCIAL VALUE PAYMENTS

Commitment from the Welsh Government to develop a Social Value Payment that reflects the actions Welsh farmers undertake that contribute to all 4 Sustainable Land Management objectives.

REDUCED OVERALL NUMBER OF UNIVERSAL ACTIONS FROM 17 TO 12

Removed:

UA4: Multispecies cover crop

UA6: Managing heavily modified peatland

UA10: Ponds and scrapes

UA16: Good animal welfare (merged)

UA17: Good farm biosecurity (merged)

COMMON LAND ELIGIBLE FOR SCHEME PAYMENTS

Areas linked to common land grazing rights will be eligible for a proportion of the Universal Baseline Payment (subject to conditions) based on allocations similar to BPS.

UNIVERSAL ACTIONS

UA1: BENCHMARKING

Choose 2 KPIs per enterprise (3 for a single enterprise) from an industry approved list and record on Farming Connect or declare the use of another industry recognised benchmarking tool.

UA2: CONTINUOUS PERSONAL DEVELOPMENT

Complete 6 hours of learning plus an element of Health & Safety, instead of 6 modules as originally proposed. Flexibility around topics, learning providers and methods of learning i.e. discussion groups. Record learning on Farming Connect.

UA3: SOIL HEALTH PLANNING

Soil test for P, K, M, pH and SOM on 20% of your land that receives inputs each year, and record results and any subsequent actions via RPW Online. Prior soil test results within 5 years will be taken into account and links to the NVZ workbook have been removed.

UA5: INTEGRATED PEST MANAGEMENT

Complete an annual IPM assessment if you use plant protection products (PPPs). Collect and record data each time you use PPPs and retain records on farm. Confirm completion via RPW Online.

UA7: HABITAT MAINTENANCE

Now includes the maintenance of 'ponds and scrapes' (not creation) and 'newly created habitat on improved land' as habitat categories. Meet measurable outcomes for each habitat type. Declare area and type of habitat on SAF annually.

UA8: CREATE TEMPORARY HABITAT ON IMPROVED LAND

Only required to meet 10% habitat Scheme Rule. List of temporary habitat options to choose from. Declare crops and area to be planted on your SAF.

UA9: DESIGNATED MANAGEMENT PLANS

Have a Management Plan in place for SSSI areas on your farm by the end of 2030. The Schedule of Works will provide additional opportunities for funding through Optional and Collaborative Actions.

UA11: HEDGEROW MANAGEMENT

Incrementally cut managed hedges to increase their size, rather than having to meet set 'good condition' requirements. Retain hedgerow trees on average every 50m. Maintain a 1m buffer zone and continue to adhere to cutting dates.

UA12: WOODLAND MAINTENANCE

Manage on-farm woodlands in line with measurable outcomes. No longer need to retain ALL deadwood. Feeding of game birds will be allowed. Declare area and type of woodland on SAF annually.

UA13: TREE PLANTING AND HEDGEROW CREATION OPPORTUNITY PLAN

Develop a plan which identifies opportunities for planting trees and creating hedgerows using existing mapping data that best support your business. There is no mandatory farm-level planting target, but you will be expected to make some progress by 2030 (optional WG grants will be available with a minimum planting requirement of 0.1 ha). This is flexible and will include shelterbelts, silvopasture, new hedgerows etc. Retain farm records and demonstrate progress by 2030 on your SAF.

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UNIVERSAL ACTIONS (cont'd)

UA14: HISTORIC ENVIRONMENT

Monitor, maintain and protect historic features on your farm. Undertake specific management which will depend on the historical feature in question i.e. basic repairs, preventing further deterioration etc. Declare compliance on your SAF annually.

UA15 ANIMAL HEALTH AND WELFARE

Removed wash stations. Work through the Animal Health Improvement Cycle with your vet. Complete annual Incoming Animal Biosecurity Assessment. Complete annual mobility and body condition scoring and undertake related training every 5 years. Confirmation via RPW Online.

SCHEME RULE: 10% HABITAT

Existing (hedgerows TBC) and newly created habitats will be included. Temporary habitats created through UA8 and/or permanent habitats created through the Optional and Collaborative layers will be included. Habitat areas identified through the Data Confirmation Exercise and Habitat Baseline Review.

NEXT STEPS

OPTIONAL AND COLLABORATIVE ACTIONS

Phased introduction from 2026 onwards based on priorities. Examples of Optional: Habitat management, organic farm practices, improved farm performance, woodland creation, capital grants, carbon sequestration etc. Examples of Collaborative: Landscape scale activity, supply chain opportunities, innovation and technology etc.

FARM CARBON ASSESSMENT

Intention to provide the mechanism for farmers to measure their on-farm carbon balance and identify opportunities for carbon sequestration and ways to reduce emissions in line with the findings of the Carbon Sequestration Evidence Review Panel. Approach to this will be developed with the Ministerial Roundtable and Officials Groups.

SCHEME GUIDANCE

Detailed scheme guidance will be prepared setting out the requirements of each UA, a Universal Code and Verifiable Standards (i.e. Cross Compliance). This will be made available when the final Scheme is launched next year and is intended to be a single easy to access reference point for all.

PAYMENT METHODOLOGY

The Universal Baseline Payment will consist of the costs incurred and income foregone required to undertake the UAs and meet the scheme requirements, plus a Social Value Payment which reflects the actions Welsh farmers undertake that contribute to all 4 Sustainable Land Management objectives.

This will be paid against your whole farm, including improved land, areas of woodland and habitat and any common land grazing rights you have (similar to BPS).

This revised scheme outline will now be used to undertake an updated economic analysis and impact assessment over the coming months. These assessments will be crucial for identifying potential impacts on agricultural, environmental and social factors and inform the decisions made by Welsh Ministers on final Scheme design next year.

Initial payment rates will be provided when the final scheme design is published.

2025 PREPARATORY PHASE

For next year, the following support schemes will be available:

1. Continuation of BPS
2. Habitat Wales Scheme
3. Habitat Wales Scheme Commons agreements
4. Organic Support Scheme
5. Farming Connect contract extension
6. Integrated Natural Resources Scheme
7. Small Grant application windows

TRANSITION PERIOD 2026-2029

The SFS transition period will start on 1st January 2026 and end on 31st December 2029.

From 2026, farmers will be able to choose to apply for BPS or SFS via the SAF.

BPS will be phased out during the transition period through incremental reductions of 20% per year.

Once you have entered SFS, you will not be able to revert back to BPS.